



Australian Government
**Department of Industry, Science,
Energy and Resources**

**Anti-Dumping
Commission**

CUSTOMS ACT 1901 - PART XVB

**CONSIDERATION REPORT
NO. 566**

**Consideration of an application for
a review of variable factors in relation to
the anti-dumping measures applying to:**

Steel reinforcing bar

**exported to Australia from
the Republic of Korea, Singapore,
Spain (except Nervacero S.A.) and
Taiwan (except Power Steel Co. Ltd)**

10 September 2020

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ABBREVIATIONS

Abbreviation	Full title
ABF	Australian Border Force
the Act	the <i>Customs Act 1901</i>
ADN	Anti-Dumping Notice
ADRP	Anti-Dumping Review Panel
InfraBuild	InfraBuild (Newcastle) Pty Ltd
the Commission	the Anti-Dumping Commission
the Commissioner	the Commissioner of the Anti-Dumping Commission
the goods	steel reinforcing bar
the Minister	the Minister for Industry, Science and Technology
NIP	non-injurious price
USP	unsuppressed selling price

1 SUMMARY AND RECOMMENDATIONS

1.1 Background

This report outlines the consideration by the Anti-Dumping Commission (the Commission) of an application lodged by InfraBuild (Newcastle) Pty Ltd (InfraBuild, or the applicant). InfraBuild's application requests a review of the anti-dumping measures applying to steel reinforcing bar (the goods, or rebar) exported to Australia from the Republic of Korea (Korea), Singapore, Spain (except Nervacero S.A.) and Taiwan (except Power Steel Co. Ltd) (collectively referred to hereafter as, the subject countries).

The anti-dumping measures are in the form of a dumping duty notice. The dumping duty notice applies to exporters of rebar from the subject countries.

InfraBuild considers it appropriate to review the anti-dumping measures on the basis that one or more of the variable factors relevant to the anti-dumping measures have changed.¹ The variable factors alleged to have changed are the export price and normal value.

1.2 Legislative background

Division 5 of Part XVB of the *Customs Act 1901* (the Act)² sets out, among other things, the procedures to be followed by the Commissioner of the Anti-Dumping Commission (the Commissioner) in assessing applications for a review of anti-dumping measures.

Division 5 empowers the Commissioner to reject or not reject such applications. If the Commissioner does not reject an application, he is required to publish a notice indicating that he is proposing to review the anti-dumping measures covered by the application.

1.3 Findings and conclusions

The Commission is satisfied that, in relation to InfraBuild's application for a review of variable factors:

- the application complies with sections 269ZB(1) and (2); and
- there appear to be reasonable grounds for asserting that the variable factors relevant to the taking of the anti-dumping measures have changed.

1.4 Recommendation

The Commission recommends that the Commissioner not reject the application, for the reasons outlined in chapter 3 of this report.

¹ Section 269ZA(1)(b)(i) of the *Customs Act 1901*.

² All legislative references are to the *Customs Act 1901*, unless otherwise stated.

2 BACKGROUND

2.1 Current anti-dumping measures

The anti-dumping measures, in the form of a dumping duty notice, were initially imposed on 19 November 2015 by the then Assistant Minister for Science and Parliamentary Secretary to the Minister for Industry, Innovation and Science after consideration of *Anti-Dumping Commission Report No. 264*.³

2.1.1 Summary of measures

The current anti-dumping measures applying to all exports of rebar from the subject countries are summarised in the following table:

Country	Exporter	Form of measure	Fixed component of interim dumping duty
Korea	Daehan Steel Co., Ltd Daehan Integrated Steel Co., Ltd	<i>ad valorem</i>	3.9%
	All other exporters - Korea	<i>ad valorem</i>	4.0%
Singapore	NatSteel Asia (S) PL NatSteel Holdings Pte Ltd	<i>ad valorem</i>	3.0%
	All other exporters - Singapore	<i>ad valorem</i>	3.0%
Spain	Compañía Española de Laminación, S.L.	<i>ad valorem</i>	4.5%
	Nervacero S.A. ⁴	<i>ad valorem</i>	6.3%
	All other exporters – Spain	<i>ad valorem</i>	8.2%
Taiwan	Wei Chih Steel Industrial Co., Ltd	Floor price	Confidential
	Power Steel Co. Ltd ⁵	<i>ad valorem</i>	4.4%
	All other exporters – Taiwan	Floor price	Confidential

Table 1: Summary of current measures as they relate to the subject countries

³ Available on the Commission's [website](#)

⁴ Measures relating to Nervacero S.A. are not subject to this review

⁵ Measures relating to Power Steel Co. Ltd are not subject to this review

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2.1.2 Past cases

The table below summarises past investigations and reviews relating to rebar exported from the subject countries. Full details can be found on the Commission's electronic public record (EPR) at www.adcommission.gov.au.

Case type and No.	ADN No.	Date of decision	Country of export	Outcome
Investigation - 264	2015/133	19/12/2015	Korea, Singapore, Spain and Taiwan	Imposition of measures subject to this inquiry
Review – 380	2017/33	13/04/2017	CELSA of Spain	Change to the variable factors
Investigation – 418	2018/10	7/3/2018	Greece, Indonesia, Spain (Nervacero S.A), Taiwan (Power Steel Co. Ltd) and Thailand	Imposition of measures
Review – 486/489	2019/054	31/5/2019	Korea and Taiwan	Changes to the variable factors

Table 2: Summary of investigations and reviews relating to rebar from the subject countries

2.1.3 Continuation Inquiry 546

The Commission initiated a continuation inquiry in relation to the goods from the subject countries on 3 March 2020.⁶ The anti-dumping measures being considered in Continuation Inquiry 546 are the same as those being considered in this proposed Review of Measures. The Commissioner's recommendation to the Minister is due on 9 October 2020. Unless continued, the anti-dumping measures are due to expire on 19 November 2020.

⁶ [Anti-Dumping Notice No. 2020/020](#)

2.2 The current application

On 21 August 2020, the Commission received an application from InfraBuild for a review of the anti-dumping measures applying to the goods exported to Australia from the subject countries. InfraBuild claims there has been a change in normal value and the export price.

The application is not prevented by section 269ZA(2), which requires that an application for review of anti-dumping measures must not be made earlier than 12 months after the publication of a dumping duty and/or countervailing duty notice or a notice declaring the outcome of the last review of the dumping duty notice.⁷

Pursuant to section 269ZC(1), the Commissioner must examine the application and, within 20 days, decide whether to reject the application. As such, a decision to reject the application must be made no later than **9 September 2020**. If the Commissioner is not satisfied, having regard to the application and to any other information that he considers relevant, of one or more of the matters referred to in section 269ZC(2), the Commissioner must reject the application.

2.3 The goods subject to the anti-dumping measures

The goods subject to the anti-dumping measures are:

Hot-rolled deformed steel reinforcing bar whether or not in coil form, commonly identified as rebar or debar, in various diameters up to and including 50 millimetres, containing indentations, ribs, grooves or other deformations produced during the rolling process. The goods include all steel reinforcing bar meeting the above description of the goods regardless of the particular grade or alloy content or coating.

The goods subject to the anti-dumping measures do not include:

- Plain round bar.
- Stainless steel.
- Reinforcing mesh.

⁷ The relevant notice has not been altered since 31 May 2019.

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2.3.1 Tariff classification

The goods are generally, but not exclusively, classified to the following tariff subheadings of Schedule 3 to the *Customs Tariff Act 1995*:

Tariff Subheading	Statistical Code	Description
7213		BARS AND RODS, HOT-ROLLED, IN IRREGULARLY WOUND COILS, OF IRON OR NON-ALLOY STEEL
7213.10.00	42	Containing indentations, ribs, grooves or other deformations produced during the rolling process
7214		OTHER BARS AND RODS OF IRON OR NON-ALLOY STEEL, NOT FURTHER WORKED THAN FORGED, HOT-ROLLED, HOT-DRAWN OR HOT-EXTRUDED, BUT INCLUDING THOSE TWISTED AFTER ROLLING
7214.20.00	47	Containing indentations, ribs, grooves or other deformations produced during the rolling process or twisted after rolling
7227		BARS AND RODS, HOT-ROLLED, IN IRREGULARLY WOUND COILS, OF OTHER ALLOY STEEL
7227.90		Other
7227.90.10	69	Goods, as follows: a. of high alloy steel; b. "flattened circles" and "modified rectangles" as defined in Note 1(l) to Chapter 72
7227.90.90	01	<i>Containing indentations, ribs, grooves or other deformations produced during the rolling process</i>
	02	<i>Of circular cross-section measuring less than 14 mm in diameter</i>
	04	<i>Other</i>
7228		OTHER BARS AND RODS OF OTHER ALLOY STEEL; ANGLES, SHAPES AND SECTIONS, OF OTHER ALLOY STEEL; HOLLOW DRILL BARS AND RODS, OF ALLOY OR NON-ALLOY STEEL
7228.30		Other bars and rods, not further worked than hot-rolled, hot-drawn or extruded
7228.30.10	70	Goods, as follows: a. of high alloy steel; b. "flattened circles" and "modified rectangles" as defined in Note 1(m) to Chapter 72
7228.30.90	40	<i>Containing indentations, ribs, grooves or other deformations produced during the rolling process</i>
7228.60		Other bars and rods
7228.60.10	72	Goods, as follows: a. of high alloy steel; b. "flattened circles" and "modified rectangles" as defined in Note 1(m) to Chapter 72

Table 3: General tariff classification for the goods

These tariff classifications and statistical codes may include goods that are both subject and not subject to the anti-dumping measures. The listing of these tariff classifications and statistical codes is for reference only and do not form part of the goods description.

3 CONSIDERATION OF THE APPLICATION

3.1 Legislative background

Section 269ZB(1) requires that an application:

- be in writing;
- be in a form approved by the Commissioner for the purposes of this section;
- contain such information as the form requires;
- be signed in the manner indicated by the form; and
- be lodged in a manner approved under section 269SMS.

Without otherwise limiting the matters that can be required by the form, section 269ZB(2) provides that an application must include:

- a description of the kind of goods to which the anti-dumping measures the subject of the application relate;
- a description of the anti-dumping measures the subject of the application; and
- if the application is based on a change in variable factors, a statement of the opinion of the applicant concerning:
 - the variable factors relevant to the taking of the anti-dumping measures that have changed; and
 - the amount by which each such factor has changed; and
 - the information that establishes that amount; and
- if the application is based on circumstances that in the applicant's view indicate that anti-dumping measures are no longer warranted, evidence (in accordance with the form) of the circumstances.

Section 269ZC(2) specifies the matters which must be considered in making a decision whether to reject an application. These matters are:

- that the application complies with section 269ZB; and
- that there appear to be reasonable grounds for asserting either, or both, of the following:
 - that the variable factors relevant to the taking of anti-dumping measures have changed; and
 - that the anti-dumping measures are no longer warranted.

3.2 Assessment of the application – compliance with section 269ZB

When considering the requirements of sections 269ZB(1) and (2), the Commission notes that the application submitted by InfraBuild:

- is in writing;
- is in the approved form (*Form B602 – Application for a review of measures*), and contains such information as the form requires. This includes evidence in support of the amount by which the variable factors have changed since last ascertained, information on the causes of the change to the variable factors and an opinion of whether these causes are likely to persist;⁸
- is signed in the manner required by the form;
- was lodged in a manner approved under section 269SMS, being by email to the Commission's nominated email address (as nominated in the Commissioner's instrument made under section 269SMS);
- provides a description of the kind of goods to which the anti-dumping measures the subject of the application relates; and
- provides a description of the anti-dumping measures the subject of the application; and
- includes a statement of the opinion of InfraBuild concerning the variable factors relevant to the taking of the anti-dumping measures that have changed, the amount by which each factor has changed, and the information that establishes that amount.

The Commission is satisfied that the application complies with sections 269ZB(1) and 269ZB(2).

3.3 Grounds for asserting that variable factors have changed

As defined in section 269T(4E), in relation to a review of a dumping duty notice, the variable factors are the:

- export price;
- normal value; and
- non-injurious price (NIP).

3.3.1 Applicant's claims regarding export price

InfraBuild claims that the price of the goods exported from the subject countries have changed in the likely review period (1 July 2019 to 30 June 2020) since the last review of this variable factor.⁹ Specifically, InfraBuild estimates that the export price for exporters of the goods have changed as follows:

- Korea - decreased by up to 2.9 per cent;
- Taiwan (except Power Steel) - decreased by up to 29.7 per cent;
- Spain (except Nervacero S.A.) - decreased by up to 11.0 per cent; and
- Singapore – decreased by up to 10.9 per cent.

InfraBuild has based its estimate on the price of rebar on published industry information.

⁸ Section 3.3 of this report refers.

⁹ Page 9 in InfraBuild's application.

3.3.2 Applicant's claims regarding normal value

InfraBuild claims that the normal value for each of the subject countries have changed in the likely review period (1 July 2019 to 30 June 2020) since the last review of this variable factor.¹⁰ Specifically, InfraBuild estimates that the normal value for exporters of the goods have changed as follows:

- Korea - increased by up to 0.3 per cent;
- Taiwan (except Power Steel) - decreased by up to 7.9 per cent;
- Spain (except Nervacero S.A.) - decreased by up to 10.9 per cent; and
- Singapore – decreased by up to 4.1 per cent.

InfraBuild has based its estimate of the change in the normal value on published industry information.

3.3.3 Applicant's claims regarding the NIP

InfraBuild did not make any claims in its application regarding the NIP.

3.3.4 Commission's assessment

The Commission has considered InfraBuild's claims with respect to each of the relevant variable factors.

Export price

The Commission has compared the information provided by InfraBuild to relevant consignments of the goods as reported in the Australian Border Force (ABF) import database. The Commission identified material changes in export prices since the last review or investigation that warrant further examination (**Confidential Attachment 1** refers). The Commission therefore is satisfied that there appear to be reasonable grounds for asserting that the export price has changed.

Normal value

The Commission considers that the information and data relied upon by InfraBuild to demonstrate that steel prices have increased has been obtained from reputable publishers of industry information (**Confidential Attachment 2** refers). The Commission therefore is satisfied that there appear to be reasonable grounds for asserting that the normal value has changed for Taiwan, Spain and Singapore. The Commission did not find evidence of a material change for Korea.

3.3.5 Conclusion - section 269ZC(2)(b)

Based on the Commission's analysis outlined in section 3.3 of this report, the Commission considers that there appear to be reasonable grounds for asserting, under section 269ZC(2)(b)(i), that the variable factors relevant to the anti-dumping measures have changed.

Therefore, the Commission recommends that the Commissioner not reject the application pursuant to section 269ZC(1).

¹⁰ Page 8 in InfraBuild's application.

3.4 Conclusions and recommendations

The Commission has considered InfraBuild's application in accordance with sections 269ZB and 269ZC. The Commission is satisfied, on the basis of the information provided in the application and other relevant information listed in section 3.3 of this report, that:

- InfraBuild has submitted an application that complies with section 269ZB; and
- there appear to be reasonable grounds for asserting that the variable factors relevant to the taking of the anti-dumping measures with respect to exports of the goods from the subject countries have changed.

The Commission recommends that the Commissioner:

- not reject the application for a review of variable factors and initiate a review into the current anti-dumping measures applying to exports of the goods to Australia from Korea, Singapore, Spain (except Nervacero S.A.) and Taiwan (except Power Steel Co. Ltd); and
- examine the period from 1 July 2019 to 30 June 2020 for the purpose of reviewing the variable factors.

4 ATTACHMENTS

Confidential Attachment 1	Export price analysis
Confidential Attachment 2	Normal value analysis